

City of Brentwood
General Plan Housing Element Annual Progress Report
July 1, 2006 – December 31, 2007

INTRODUCTION

The existing Brentwood Housing Element was updated and adopted by Brentwood in May 2005. State law requires that communities annually evaluate the status of their Housing Element and progress in meeting its share of regional housing needs. The City completed an update of the Land Use, Circulation, and Growth Management elements of the General Plan in 2001 which involved a detailed evaluation of the City's overall land use needs including a variety residential land uses. This update in conjunction with additional Land Use Element amendments in 2005 assured that sufficient land has been designated and zoned for residential development within the City in order to meet existing and anticipated future housing needs for all income groups. The City completed an update in 2005 to its Housing Element to reflect legislative changes in housing element law since 1998.

The City's previous Housing Element Progress Report covered the period from July 1, 2005 – June 30, 2006. This Housing Element Progress Report covers the period from July 1, 2006 – December 31, 2007 to transition from fiscal year to calendar year reporting. During this 18-month time period the City received a new Regional Housing Needs Allocation (RHNA) for its fair share of regional housing for the 2007 – 2014 period. Below is information describing our final progress for the 1999–2006 time period as well as the new progress made during the current allocation cycle of 2007 -2014.

These RHNA figures are prepared by the Association of Bay Area Governments based upon information provided by the State Department of Housing and Community Development (HCD). Housing needs are allocated for four housing affordability levels: very low-, low-, moderate, and above moderate-income households. Affordability levels for Brentwood are based upon Contra Costa County income limit information (adjusted for household size) provided by HCD each year.

In Contra Costa County, the 2007 income limits are based on a median income of \$83,800 for a family of four. Income limits for a four-person household and typical occupations in the various affordability ranges are provided below.

Moderate - \$66,250 to \$100,600 (80% to 120% median income) – Electrical Engineer, Accountant, Business Manager, Police Officer, Chiropractor, Physician Assistant

Low - \$41,901 to \$66,249 (50% to 79% median income) –Teacher, Fire Fighter, Nurse, Executive Secretary, Clergy, Librarian

Very Low - \$0 to \$41,900 (Under 50% of median income) – Cook, File Clerk, Bank Teller, Messenger, Housekeeper, Receptionist

HOUSING ELEMENT IMPLEMENTATION PROGRESS

There are many factors that affected the City's ability to meet the goals established in its Housing Element, including: the creation of new programs and changes to City

requirements, economic conditions, the availability of state and federal funding, and staffing levels.

Since 2004 and during adoption and implementation of the Housing Element in 2005-2007, several programs have been in place and many housing projects have been approved, are under construction, and have been completed that helped the City continue to make progress on meeting local housing needs.

The City has been very successful in producing new housing. Brentwood continued to be a regional leader in the production of housing in 2006 and 2007. Brentwood has been one of the fastest growing cities in the state during the past several years. As of December 31, 2006, the City built approximately 229 percent (9,311 / 4,073) of its regional housing need allocation for the 1999 - 2006 Housing Element cycle in terms of overall supply. The affordability distribution of the housing units built during 1999 -2006 is provided in Table 1 below.

The City continued to be a leader in housing production in 2007 and has already made substantial progress on the present housing need allocation period. As of December 31, 2007, the City built approximately 21 percent (574 / 2,705) of its present regional housing need allocation in terms of overall supply. The affordability distribution of the housing units built during the 2007 – 2014 period as well as the number of approved units and units under construction is provided in Table 2 below.

The City adopted an Affordable Housing Ordinance in 2003 and amended the ordinance in January 2005 and most recently in May 2007. Since the Affordable Housing Ordinance was adopted the City negotiated compliance agreements with approximately 20 for-profit builders and has entered into affordability agreements to provide more than 600 additional moderate, low, and very low-income housing units throughout the City. During the July 1, 2006 to December 31, 2007 time period the Ordinance has also helped to generate nearly \$5.5 million to financially assist with the development of lower and moderate housing units. The City has worked closely with State Department of Housing and Community Development staff in the past and was informed in July of 2005 that our Housing Element has been found in compliance with State housing element law. In addition, the City continues to make substantial progress in implementing the Housing Element and producing additional affordable and market-rate housing.

Income Group	Total Need 1999 – 2006	Units Built 1999-2006	Remaining Need
Very Low	906	108	798
Low	476	36	440
Moderate	958	1,924	0
Above Moderate	1,733	7,243	0
TOTAL	4,073	9,311	1,238

TABLE 2 BRENTWOOD HOUSING NEED PROGRESS 2007 – 2014				
Income Group	Total Need 2007 – 2014	Units Built 2007*	Units Approved or Under Construction	Remaining Need
Very Low	717	80	114	523
Low	435	0	19	416
Moderate	480	2	14	464
Above Moderate	1,073	492	4,226	0
TOTAL	2,705	574	**4,373	1,403
Source: ABAG, State Department of Finance E-5 Report and Brentwood Community Development Department, March, 2008. *Units built as of December 31, 2007.				

**Note: As of January 2008, the City had 484 units under construction that are expected to be built by 2009 and 3,889 approved dwelling units that are expected to be built after 2009.

From July 1, 2006 – April 2007, the City applied its Affordable Housing Ordinance to new residential development of 4 or more dwelling units to assist with the production of additional affordable housing opportunities in the City. As of June 2007 the City's Affordable Housing Ordinance applied to new residential development of 5 or more units. This Ordinance has laid the ground work for the City to proactively address housing needs when the market ceases to produce lower income housing opportunities on its own. The City regularly evaluates the Ordinance outcomes and expects to continue to refine it as the implementation process continues. In 2006 and 2007, the City worked cooperatively with residential developers to implement the City's Affordable Housing Ordinance which provides numerous tools and options to assist with the production of affordable housing. These options include:

- Construction of affordable housing within market rate developments;
- Construction of affordable units off site;
- Converting market rate existing residences to affordable units by purchasing the units and recording affordability controls;
- Preserving existing affordable housing opportunities by extending existing affordability controls; and
- Contributing funds to the City's Housing Trust Fund to assist future affordable housing builders

By December 31, 2007 the total number of units built in the City of Brentwood since 1999 with deed-restricted affordability controls reached 240. The total number of units approved or under construction with deed-restricted affordability controls as of December 31, 2007 reached 147.

An important factor in Brentwood's ongoing progress in developing affordable housing is the City's Capital Improvements Financing Program and ongoing efforts to fund infrastructure improvements and new residential development projects within the City's Redevelopment project area. These efforts help encourage the production of affordable housing and remove infrastructure constraints to its development.

PROGRESS IN THE IMPLEMENTATION OF THE HOUSING ELEMENT

The following provides a review of the progress made on each action program within the Housing Element. If a program has been unsuccessful, a summary of the reasons has been provided. It should be noted that several of the action programs require ongoing effort to ensure significant progress is made.

1.1.1 Conduct annual inventory of available sites to determine if sufficient land exists to meet housing needs for all economic segments and take appropriate action to ensure an ongoing supply of available sites at appropriate densities to meet projected housing needs.

The City conducted an inventory of available residential land as part of its 2001 revision of the Land Use Element of the General Plan and updated the inventory during the 2005 Housing Element Update. During this most recent evaluation in late 2004 and early 2005 the City identified and has designated sufficient residential land to meet existing and future housing needs and provide a mix of housing types for all economic segments of the community through 2009. Specifically, the City designated three sites for Very High Density Residential housing (allowing up to 30 dwelling units by right) that are exempt from the City's mid-range density land use policy. The three sites include approximately 20 acres and would allow approximately 500 future very high density multi-family units. The City has had meetings with prospective developers interested in purchasing these sites and developing additional residential units. The City also expects to increase the amount of very high density sites (up to 30 dwelling units per acre) within the City in the future as the demand for multi-family housing increases in the East Contra Costa County region. In August 2007, the City received an application to increase the supply of very high density land by approximately 5 acres in conjunction with a 120-unit multi-family development request. Action on this development project is anticipated in 2008. In addition, the City is preparing an approximately 400-acre Specific Plan that includes mixed use areas that would allow up to 20-30 dwelling units per acre near the City's Downtown area. Action on the Specific Plan is also anticipated in 2008.

The City's continues to evaluate the effect of the City's mid-range density land use policy and examined built densities, processing times, and impacts on approval and development costs. This evaluation indicated that the mid-range density is often exceeded for approved projects given that that all projects subject to City's Affordable Housing Ordinance may receive a 9.0% density bonus and the City exempts below market rate housing from the mid-range density policy. In addition, the City has among the fastest processing times for residential development in the San Francisco Bay Area and the mid-range density policy had no appreciable effect on the processing times for residential development applications that exceeded the mid-range density relative to projects that were at or below the allowable mid-range density. No residential development applications regardless of density were denied in 2006 or 2007. In addition, the City-controlled development costs for residential projects on a per unit basis were

the same regardless of whether a project was below, at, or above the mid-range density. Discussions with residential builders confirmed that land prices, labor prices, the cost of materials, borrowing costs, and non-city fees (e.g. school, drainage area, and regional transportation) had a greater effect on development costs than the mid-range policy during 2006 and 2007.

The City has zoned sufficient land to meet its regional housing need allocation as of February 2008. The City efforts have resulted in 4,373 new residential units that have been approved or are under construction as of December 31, 2007. In addition, the City has previously built more than 100 percent of the total number housing needed within the City through 2006 by the end of 2003.

1.1.2. Continue to encourage the use of second units in single-family residential areas in meeting the city's low- and moderate-income housing objectives.

The City has encouraged the development of second units within existing residential areas. The City adopted a secondary housing unit ordinance in January 2004 to help provide greater certainty for property owners wishing to add additional secondary housing units. This Ordinance allows these units to be approved administratively by staff. The City approved the construction of five new second units in established neighborhoods between July 1, 2006 and December 31, 2007. The City has also approved approximately 30 detached living units in the new Rose Garden single family subdivision. These detached living units were completed in 2006 to help provide a mix of incomes and housing choices within this new neighborhood. Since the adoption of the City's secondary housing unit ordinance, the City has approved all requests received for secondary housing units.

1.2.1. Identify at-risk projects one year prior to each required Housing Element update, and minimize loss of existing affordable housing.

In 2001 the City inventoried all assisted housing developments within Brentwood with affordability controls. One at risk project with expiring affordability controls had been identified and involved 9 low-income apartments. The affordability controls for these units in the TownCentre apartments were due to expire in 2006. In FY 04/05 the City's Redevelopment Agency was able to negotiate an agreement with the property owner of these multi-family units and a market rate housing builder who needed to satisfy his project's affordability requirements to extend the affordability controls for 55 years and conserve these affordable housing units. No affordable housing units are at risk of conversion to market-rate units during the present Housing Element cycle ending in 2014.

1.2.2 Assist potential applicants in accessing rehabilitation loans and self-help housing projects.

The City has continued to partner with Contra Costa County as part of the Contra Costa Consortium and provide marketing assistance and referrals to the Contra Costa County Homeowner Rehabilitation Assistance programs and the Housing Authority of Contra Costa County Rental Rehabilitation Program. The City referred approximately 15 households to these programs in the July 1, 2006 – December 31, 2007 time period and 5 very low income households received rehabilitation loans in Brentwood through these

programs. In addition, since 1998, these efforts have resulted in the rehabilitation of approximately 40 housing units of which 27 were very low-income units.

The City worked with Habitat for Humanity and Pulte Homes in 2003 to secure land for 4 future very low income single family homes that will be constructed in part by very low income households once approved. The City received no application from Habitat for Humanity to proceed with this planned self-help housing project. The City also discussed an additional project site with Habitat for Humanity for a future development including approximately 20 housing units for very low and low income households.

1.2.3 Community Education about available rehabilitation programs.

The City distributes bilingual rehabilitation program marketing literature provided by the County to Brentwood residents and property owners. The City has added staff since 1998 that regularly distributes housing rehabilitation program literature to the public and organizes public workshops where the programs are described in detail. In the July 1, 2006 to December 31, 2007 time period, the County rehabilitation personnel held regular office hours within Brentwood in order to make appointments or "drop-in" visits more convenient for Brentwood residents who cannot easily travel to the County seat in Martinez. There were approximately 5 Brentwood very low income households assisted by the County during this 18-month reporting period. The City handed out approximately 350 brochures in English and Spanish at the Community Development Department counter, other City public counters, and at community outreach events and festivals during this 18-month reporting period. The City also contracted with Pacific Community Services to conduct four first-time homebuyer training classes in Brentwood to answer questions and distribute information.

1.2.4 Maintain current information on housing conditions within the City through periodic housing condition surveys.

City staff currently responds to zoning and building code violations based on complaints and field observations. The City did conduct a windshield survey in 2001 of residential areas developed prior to 1990 to determine existing rehabilitation needs and has expanded the number code enforcement staff within the Building Division from 1 to 4 full-time staff members to help prevent blighted conditions within residential neighborhoods. The Code Enforcement staff processed approximately 2,000 cases in the 18-month reporting period including approximately 75 cases involving housing condition repairs.

1.2.5 Provide financial assistance to owners of rental property to rehabilitate substandard units.

Financial assistance to owners of rental property to rehabilitate substandard units is available in Brentwood through the Housing Authority of Contra Costa County. The Rental Rehabilitation Program provides deferred below-market loans of up to \$25,000 per unit. The program has provided funds to rehabilitate approximately 35 units since 1998 within Brentwood. The City expects more rehabilitation projects in Brentwood in the future as the City's housing stock ages and as rural areas are annexed into Brentwood.

1.2.6 Prepare Residential Design Guidelines to continue to help provide safe, structurally sound, and attractive housing in Brentwood as well as provide more certainty during residential design reviews.

The guidelines were completed in 2006 and are provided to residential developers during preliminary discussions of potential projects.

1.3.1 Continue a water conservation program, reducing residential utility costs.

The City requires the submission of landscape plans in conjunction with all residential developments. Plans are reviewed to ensure use of drought-tolerant plant materials and to reduce the use of turf in all front yards. The City also reviews proposed irrigation details, inspects installation, and checks the timing of automatic sprinklers to ensure that front yard irrigation is conducted efficiently. The City reviewed approximately 25 landscape plans for residential projects in Brentwood during the 18-month reporting period.

1.4.1 Adopt an ordinance to regulate conversion of multi-family units to condominiums to minimize tenant displacement.

The City has initiated preparation of a draft condominium conversion ordinance and expects the ordinance to be completed and adopted in 2008. No condominium conversion applications were received in the 18-month reporting period.

1.4.2 Monitor rental housing availability to evaluate choices in tenure, price, unit size, amenities, and location within the community.

As part of the preparation of the condo conversion ordinance preparation process, the City monitored rental housing availability. The City added 80 very low income multi-family units in 2007 to the rental housing stock at the Brentwood Senior Commons apartment development and 19 multi-family market rate units at Siena Village. The City also has approximately 400 additional rental units under construction of which 96 units are affordable to very low income units and 200 units are reserved as senior housing units. The slowdown in demand for new market rate housing beginning in FY 05/06 in Brentwood continued during the 18-month reporting period resulted in slower home sales and more homes of varying sizes and amenity levels available for rent in the City as property owners choose to rent their homes as market rate home prices declined.

2.1.1 Explore and catalog available housing assistance programs.

The City provides information to members of the public about local housing assistance programs and has fliers available with contact information and program summaries in multiple languages. Program information is regularly verified and updated as necessary, to ensure accurate and timely information is provided to the public. The 2003 adoption of the City's Affordable Housing Ordinance created a City of Brentwood Housing Trust Fund that provides an additional tool to fund Brentwood housing assistance programs. The City efforts include both a homeownership and rental housing program to assist lower income households seeking rental and ownership opportunities. The City manages developer dedicated affordable housing units for long-term rent within market rate subdivisions to eligible low income households. In addition, the City also identifies and selects eligible lower income homebuyers for purchase of new affordable housing units

created through the Affordable Housing Ordinance. In the reporting period, the City has directly assisted approximately 10 very low-, low-, and moderate income households locate new affordable ownership and rental housing in Brentwood. In addition, the City provided indirect assistance and City program information in person or over the telephone to approximately 200 households during the reporting period. The City also conducted affordable housing agreement negotiations with several home builders in the reporting period resulting in 59 future affordable units and anticipates ongoing commitments for future low income rental units and lower income ownership units will be memorialized in 2008 for recently proposed residential projects.

2.2.1 Work with non-profit and private entities to facilitate cooperative efforts for development of affordable housing.

The City has worked effectively with both non-profit and private builders to develop affordable housing during this 18-month reporting period. These efforts resulted in two lower income Meritage single family homes, the completion of 18 moderate income townhomes in the Coppergate development, and 80 very low income apartments in the Brentwood Senior Commons development. The City expects more affordable units to be completed in 2008 and after the housing market improves in upcoming years.

2.2.2 Increase the provision of affordable housing by supporting the efforts of non-profit corporations.

The City provides support by conducting free pre-application meetings with builders, helping to identify properly zoned sites to minimize necessary entitlements, donating land, fast-tracking development applications, reducing parking requirements, deferring development fees, and providing redevelopment affordable housing set-aside funds and City affordable housing trust funds to defray required development costs when appropriate. In FY 2005/06, the Redevelopment Agency and the City provided or committed approximately \$3 million to two non-profit developers to construct 176 very low income units within the Villa Amador and Brentwood Senior Commons developments. The Eden Housing Brentwood Senior Commons development was completed during this 18-month reporting period and the City anticipates that Mercy Housing's Villa Amador development will be completed in 2008.

2.3.1 Streamline application process to eliminate unnecessary costs arising from the length of residential development application review.

The City utilizes several methods to streamline our application intake and processing system. The City has a short two-page universal application that lists required planning and engineering fees for available entitlements. Applications are accompanied by City standard conditions of approval to provide applicants with the majority of potential conditions of approval in advance of action on a development project. Application materials are available 24 hours a day on the City website. The City provides residential design guidelines and free preliminary review meetings with staff to provide early input, guidance, and an explanation of requirements before engineering and/or architectural plan preparation has occurred. The City also staff's a one-stop development services counter daily where City development personnel from multiple departments are available to answer questions.

The City conducts internal staff development review committee meetings involving four departments to identify any issues of concern amongst City staff and affected outside agencies. The applicant is alerted prior to finalizing environmental review to allow for modifications to the project. The City also conducts free informational workshops on large or unique developments where the applicant and staff can obtain feedback directly from decision makers prior to completion of environmental review, preparation of project staff reports, and final action on a project. These workshops afford an additional opportunity to refine a project and identify key concerns or issues early in the project review process. The meetings and workshops also tend to decrease the need for continuing items multiple times because key issues are identified early on in the application and development review process.

2.3.2 and 2.3.3 Provision of affordable housing by granting density bonuses.

The City has previously granted density bonuses to several residential projects. One of these developments (Brentwood Senior Commons) was completed during the 18-month reporting period. Residential developments that include long-term affordable units or senior housing units in accordance with State law and the City's Density Bonus Ordinance are entitled to density bonuses or other financial incentives of equivalent value.

2.3.4 Priority Building Inspections for affordable housing developments.

The City provides timely building inspections for residential development projects. Inspections take place as construction work progresses. In order to prevent delays and ensure construction of affordable housing units occurs expeditiously, building inspectors are assigned specific developments projects and conduct daily inspections upon request. This ensures timely inspections and provides continuity during the construction phase of an affordable housing development.

2.3.5 Adopt specific developments standards for all residential land within Planned Development Zones to provide greater certainty and encourage future development.

The City previously completed an inventory of all residential Planned Development Zones in FY 04/05 and adopted specific development standards for all of the affected 20 zones in FY 05/06.

3.1.1 Community education about low-income occupations and how low income residents contribute to the community.

The City provides regular updates on new income limits established for Contra Costa County and what levels are considered very low, low, moderate, and above moderate based on the median incomes for different household sizes. The community also receives information from the media, school districts and different government agencies about existing salaries and the need to provide housing opportunities for lower paid workers to promote high quality services, good schools, and economic development. Historically market-rate housing within Brentwood has been relatively affordable in comparison to other portions of Contra Costa County and employment centers within the San Francisco Bay Area. Many Brentwood homeowners are often surprised to learn how high the low-income limits are within Contra Costa County. More and more residents recognize that lower paid workers, young adults and families starting out, and seniors on

fixed incomes need housing priced at levels they can afford but that the Brentwood market does not ordinarily provide.

3.1.2 Development Incentives to facilitate affordable housing that is indistinguishable from market rate housing.

The City's Affordable Housing Ordinance mandates that affordable dwellings be interspersed within market-rate housing developments. The Ordinance also requires the exterior appearance of affordable units to be harmonious and compatible with surrounding market rate units.

For example, architectural features, materials and colors choices are reviewed to ensure that affordable units blend in within a new subdivision or existing neighborhood. Density bonuses, contribution of City redevelopment funds and/or Housing Trust Funds, and other customized incentives are available to help provide new affordable housing opportunities within mixed income neighborhoods.

3.2.1, 3.2.2, and 3.2.3 Promote development of market rate single family homes in the eastern portion of the City by undertaking improvement projects, providing marketing materials, and outreach efforts with potential developers.

The City has been very successful in attracting private investment within the eastern portion of the City that experienced an overconcentration of low-income households according to the 1996 City Low Income Over-Concentration Study. During the 18-month reporting period approximately 55 single family market rate dwelling units were built in the eastern portion of the City. Seven new parks have been developed since 1999. Infrastructure improvements including new sidewalk and roadway extensions and new water and sewer line improvements were also completed during the 18-month reporting period. In addition, the City has previously approved approximately 500 market rate single-family homes in the eastern portion of the City which are not completed.

3.2.4 Provide improved housing for existing very low and low income households in the City.

In FY 2005/06 the City worked closely with Eden Housing on a proposed very low-income 80-unit senior apartment project within the eastern portion of the City. The development was completed in 2007. The City of Brentwood and Brentwood Redevelopment Agency also worked closely with Mercy Housing on financial assistance for a 96-unit very low income multi-family project. The City anticipates construction to be completed in 2008.

During this 18-month reporting period, the City has worked with Pulte Homes, Standard Pacific Homes, Western Pacific Housing, Meritage, DeNova Homes, DR Horton, Richmond American, Shea Homes, and Discovery Builders to provide lower income housing units interspersed within market rate subdivisions.

3.3.1 and 3.3.2 Monitor the concentration of income groups within the City.

The City has made a concerted effort to encourage the development of additional market-rate units within low-income areas of the community since 1998 in order to diversify housing choices for all income groups throughout the City. The City regularly conducts new housing price surveys to monitor affordability levels throughout the City. An update of the Low Income Over-concentration Study was not conducted in this 18-month reporting period due to workload constraints associated with timely processing of current and long range planning projects. As mentioned above, substantial progress has been made to provide more mixed income neighborhoods throughout the City. The City anticipates that the mandatory provision of units affordable to lower income households in all new developments of five or more units will help ensure that long-term affordable housing choices are available throughout the City. The City's Affordable Housing Ordinance is helping to ensure that all residential projects help the City provide moderate and lower income housing opportunities.

3.4.1 and 3.4.2 Encourage the development of affordable housing using incentives in areas not experiencing an over-concentration of lower income households and monitor effectiveness.

The City had utilized a strictly voluntary incentive approach to encourage new affordable development in the western portion of the City. This voluntary approach had resulted in the provision of 20 low-income ownership opportunities that were constructed in 2002 and 2003.

The City has concluded that voluntary incentives alone are insufficient to produce very low and low-income units in the western portion of the City. Consequently, the City adopted an Affordable Housing Ordinance to ensure new affordable lower-income housing is developed and funds are generated to help create new affordable housing within the City. The Ordinance includes incentives for developments that meet or exceed minimum affordable housing production requirements and seeks to ensure affordable housing choices will be available throughout the City. The City has subsequently updated the Ordinance to address developer concerns, prevent ambiguity, and make the Ordinance more effective. The Affordable Housing Ordinance has resulted in the provision of more very low and low-income units in the western portion of the City.

In addition, the City has designated 13 acres in the western portion of the City for development of up to 30 units per acre in order to further stimulate production of below market rate housing. During the 18-month reporting period the City received a request to redesignate 5 additional acres for the development of up to 30 units per acre. Action on this request is anticipated in 2008.

3.4.3 Examine the feasibility of providing a first-time homebuyer assistance services to Brentwood residents to facilitate homeownership.

The City provided a range of first-time homebuyer assistance services for lower and moderate income households. The City contracted with Pacific Community Services to hold four mandatory 8-hour home-buyer training seminars in English and Spanish for interested lower income households in Brentwood. Pacific Community Services also provides monthly homebuyer classes if families cannot attend the scheduled Brentwood trainings. These training seminars in conjunction with implementation of the City's Affordable Housing Ordinance and extensive outreach by the Community Development Department resulted in five new lower income homeownership opportunities, two new

moderate income homeownership opportunities, and two moderate income resale opportunities. The City expanded the homebuyer assistance services by including a first home buyer loan program to help low and moderate income households qualify for market rate housing in Brentwood. The City now provides low-interest silent second mortgage loans in amounts from \$35,000-\$50,000 to eligible households. The City received six loan applications and provided four loans. Two of the loans assisted low-income households and two loans assisted moderate-income households.

3.5.1 Modify the General Plan Land Use Element to provide for low, medium, and high density residential development throughout the City.

The City completed a General Plan Update in 2001. The update included a revision to the Land Use Element after extensive public input from the community. The General Plan land use map included low, medium, and high density sites throughout the City to promote diverse housing choices. Higher density sites are strategically located in close proximity to existing and planned employment centers to promote smart growth and reduce automobile dependence. Higher density sites are located in the R-3, PD-44, PD-49, PD-51, and PD-57 zones. In FY 2004/05 the City processed a General Plan Amendment to re-designate and rezone 20 acres throughout the City (within PD-38, PD-53, and PD-55) for Very High Density housing (up to 30 du/ac. by right). The General Plan Amendment and accompanying zone changes were completed during the summer of 2005. This land use change increased the City's dwelling unit potential by 500 housing units and created new opportunities for both market rate and affordable housing units to meet anticipated housing needs. In the 18-month reporting period the City met with several developers interested in the Very High Density housing sites and will be considering designating additional Very High Density housing in 2008.

4.1.1 Maintain cooperative association with non-profit fair housing groups to encourage and support the enforcement of laws and regulations prohibiting housing discrimination.

The City participates in the Contra Costa Housing Consortium. The Consortium is comprised of Contra Costa County and all cities within the County except the City of Richmond. The consortium allocates Community Development Block Grant Funds to non-profit fair housing assistance groups to provide fair housing legal assistance and tenant-landlord dispute resolution services for residents within Brentwood. Several organizations including Pacific Community Services, Bay Area Legal Aid, Housing Rights Inc., and Shelter Inc. provide fair housing assistance services. Whenever the City is contacted about allegations of housing discrimination or is informed about a landlord-tenant dispute, the City refers callers to the toll-free numbers of the fair housing assistance groups to investigate the complaint. The City has received 65 calls in the 18-month reporting period. None of these calls has resulted in documented cases of housing discrimination or fair housing violations. The City takes all allegations very seriously and works closely with non-profit fair housing groups to ensure prompt assistance is provided when requests for assistance are received.

In addition, City staff periodically receives updated information about fair housing issues from the various non-profit housing groups. This information is dispersed to members of the public in order to prevent housing discrimination within the community.

4.1.2 Disseminate Fair Housing Information

In addition to the City efforts described under 4.1.1, the City distributes fair housing informational literature to the public from Housing Rights Inc. to prevent landlord –tenant conflicts and prevent housing discrimination. Literature is provided throughout the community at City public counters and during community events and festivals. Additional outreach efforts are planned annually to ensure that ongoing education and information is available as the City population grows.

4.2.1 Provide housing opportunities to meet the special housing needs of farmworkers, the elderly, disabled, large families, and the homeless

The City has historically helped to develop a wide variety of housing for various special needs groups. During this reporting period the City made extensive progress on increasing the future supply of housing opportunities for special needs households. The City and Redevelopment Agency has committed \$1.8 million for the 96-unit Villa Amador apartment development with units reserved for farmworkers, disabled households, and large families. This project is under construction with occupancy anticipated in 2008. The City issued building permits for the 80-unit Brentwood Senior Commons development in FY 2005/06 and agreed with the Redevelopment Agency to provide financial assistance to Eden Housing to fund the project. The affordable development was completed in 2007 and now provides very low-income 1-bedroom senior apartments within close walking distance to the City's downtown core area.

The City has approved 1,100 senior housing units within the Shea Homes Vineyards project and 104 units were completed during this 18-month reporting period. This development includes a mix of affordability levels and housing types to meet many special housing needs. Construction continues and the development once completed will include lower income, moderate income and market rate housing opportunities.

4.2.2. and 4.2.3 Amend the zoning code to identify the zoning districts within which shelters and transitional housing can be developed and coordinate with agencies serving the homeless to develop housing and employment programs.

As mentioned above the City currently works to address the needs of the homeless population through its participation in the Contra Costa Housing Consortium and support for the Brentwood Community Chest that provides emergency food to the needy including the homeless. The transient nature of the homeless population and the extensive interrelated social service needs of this population require pooled resources and regional cooperation for adequate service delivery. Small group homes serving the transitional housing needs of homeless individuals or families are allowed in all residential zones and are specifically identified as a permitted use in PD-45. During the reporting period the City continued work on zoning ordinance changes that include additional opportunities for development of shelters and transitional housing to meet Brentwood's housing needs.

APPROPRIATENESS OF HOUSING ELEMENT GOALS, POLICIES, AND ACTION PROGRAMS

The City's efforts to voluntarily update the Housing Element in 1998 resulted in goals, policies, and actions that closely reflected current community housing needs. The goals,

policies, and action programs of the 1998 Housing Element and the 2001 General Plan Update involving the Land Use, Circulation, and Growth Management elements were reviewed in 2003 and updated in 2005. These efforts have enabled the City to make substantial progress toward the satisfaction of current housing needs for the 1999 – 2006 period. The City continues to evaluate the housing needs of the community and adopted an Affordable Housing Ordinance in 2003 and updated this Ordinance in 2005 and 2007 to help increase the supply of lower income housing units within the City. In 2006, the City initiated a first-time home buyer program to further assist low and moderate income households attain home ownership. It is the City's intent to continue to make progress on identified housing needs as the community grows and price of market-rate housing rises over time.

Several major policy changes have been made since 1998. The policy changes included the addition of a mandatory affordable housing requirement due to the rapid escalation of land values as well as market-rate housing within the community and the need to zone higher density residential sites to promote more efficient and cost-effective development of affordable housing. The need for a more proactive effort to produce below-market rate housing at levels affordable to very low-, low- and moderate-income households has proven necessary after attempting a voluntary approach in conjunction with numerous available incentives until 2003. Mandatory inclusionary housing in conjunction with higher allowable residential densities, development incentives and flexible affordable housing compliance options has and will help the City continue to disperse affordable new housing units throughout City and ensure that Brentwood provides high-quality housing options for all economic segments of the community. The addition of a City first-time home buyer loan program in FY2005/06 provided another tool to assist more low and moderate income households attain homeownership in Brentwood.

**City of Brentwood
General Plan Housing Element Annual Progress Report
July 1, 2006 – December 31, 2007**

APR 03 2008

INTRODUCTION

The existing Brentwood Housing Element was updated and adopted by Brentwood in May 2005. State law requires that communities annually evaluate the status of their Housing Element and progress in meeting its share of regional housing needs. The City completed an update of the Land Use, Circulation, and Growth Management elements of the General Plan in 2001 which involved a detailed evaluation of the City's overall land use needs including a variety residential land uses. This update in conjunction with additional Land Use Element amendments in 2005 assured that sufficient land has been designated and zoned for residential development within the City in order to meet existing and anticipated future housing needs for all income groups. The City completed an update in 2005 to its Housing Element to reflect legislative changes in housing element law since 1998.

The City's previous Housing Element Progress Report covered the period from July 1, 2005 – June 30, 2006. This Housing Element Progress Report covers the period from July 1, 2006 – December 31, 2007 to transition from fiscal year to calendar year reporting. During this 18-month time period the City received a new Regional Housing Needs Allocation (RHNA) for its fair share of regional housing for the 2007 – 2014 period. Below is information describing our final progress for the 1999–2006 time period as well as the new progress made during the current allocation cycle of 2007 -2014.

These RHNA figures are prepared by the Association of Bay Area Governments based upon information provided by the State Department of Housing and Community Development (HCD). Housing needs are allocated for four housing affordability levels: very low-, low-, moderate, and above moderate-income households. Affordability levels for Brentwood are based upon Contra Costa County income limit information (adjusted for household size) provided by HCD each year.

In Contra Costa County, the 2007 income limits are based on a median income of \$83,800 for a family of four. Income limits for a four-person household and typical occupations in the various affordability ranges are provided below.

Moderate - \$66,250 to \$100,600 (80% to 120% median income) – Electrical Engineer, Accountant, Business Manager, Police Officer, Chiropractor, Physician Assistant

Low - \$41,901 to \$66,249 (50% to 79% median income) –Teacher, Fire Fighter, Nurse, Executive Secretary, Clergy, Librarian

Very Low - \$0 to \$41,900 (Under 50% of median income) – Cook, File Clerk, Bank Teller, Messenger, Housekeeper, Receptionist

HOUSING ELEMENT IMPLEMENTATION PROGRESS

There are many factors that affected the City's ability to meet the goals established in its Housing Element, including: the creation of new programs and changes to City

requirements, economic conditions, the availability of state and federal funding, and staffing levels.

Since 2004 and during adoption and implementation of the Housing Element in 2005-2007, several programs have been in place and many housing projects have been approved, are under construction, and have been completed that helped the City continue to make progress on meeting local housing needs.

The City has been very successful in producing new housing. Brentwood continued to be a regional leader in the production of housing in 2006 and 2007. Brentwood has been one of the fastest growing cities in the state during the past several years. As of December 31, 2006, the City built approximately 229 percent (9,311 / 4,073) of its regional housing need allocation for the 1999 - 2006 Housing Element cycle in terms of overall supply. The affordability distribution of the housing units built during 1999 -2006 is provided in Table 1 below.

The City continued to be a leader in housing production in 2007 and has already made substantial progress on the present housing need allocation period. As of December 31, 2007, the City built approximately 21 percent (574 / 2,705) of its present regional housing need allocation in terms of overall supply. The affordability distribution of the housing units built during the 2007 – 2014 period as well as the number of approved units and units under construction is provided in Table 2 below.

The City adopted an Affordable Housing Ordinance in 2003 and amended the ordinance in January 2005 and most recently in May 2007. Since the Affordable Housing Ordinance was adopted the City negotiated compliance agreements with approximately 20 for-profit builders and has entered into affordability agreements to provide more than 600 additional moderate, low, and very low-income housing units throughout the City. During the July 1, 2006 to December 31, 2007 time period the Ordinance has also helped to generate nearly \$5.5 million to financially assist with the development of lower and moderate housing units. The City has worked closely with State Department of Housing and Community Development staff in the past and was informed in July of 2005 that our Housing Element has been found in compliance with State housing element law. In addition, the City continues to make substantial progress in implementing the Housing Element and producing additional affordable and market-rate housing.

Income Group	Total Need 1999 – 2006	Units Built 1999-2006	Remaining Need
Very Low	906	108	798
Low	476	36	440
Moderate	958	1,924	0
Above Moderate	1,733	7,243	0
TOTAL	4,073	9,311	1,238

TABLE 2 BRENTWOOD HOUSING NEED PROGRESS 2007 – 2014				
Income Group	Total Need 2007 – 2014	Units Built 2007*	Units Approved or Under Construction	Remaining Need
Very Low	717	80	114	523
Low	435	0	19	416
Moderate	480	2	14	464
Above Moderate	1,073	492	4,226	0
TOTAL	2,705	574	**4,373	1,403
Source: ABAG, State Department of Finance E-5 Report and Brentwood Community Development Department, March, 2008. *Units built as of December 31, 2007.				

**Note: As of January 2008, the City had 484 units under construction that are expected to be built by 2009 and 3,889 approved dwelling units that are expected to be built after 2009.

From July 1, 2006 – April 2007, the City applied its Affordable Housing Ordinance to new residential development of 4 or more dwelling units to assist with the production of additional affordable housing opportunities in the City. As of June 2007 the City's Affordable Housing Ordinance applied to new residential development of 5 or more units. This Ordinance has laid the ground work for the City to proactively address housing needs when the market ceases to produce lower income housing opportunities on its own. The City regularly evaluates the Ordinance outcomes and expects to continue to refine it as the implementation process continues. In 2006 and 2007, the City worked cooperatively with residential developers to implement the City's Affordable Housing Ordinance which provides numerous tools and options to assist with the production of affordable housing. These options include:

- Construction of affordable housing within market rate developments;
- Construction of affordable units off site;
- Converting market rate existing residences to affordable units by purchasing the units and recording affordability controls;
- Preserving existing affordable housing opportunities by extending existing affordability controls; and
- Contributing funds to the City's Housing Trust Fund to assist future affordable housing builders

By December 31, 2007 the total number of units built in the City of Brentwood since 1999 with deed-restricted affordability controls reached 240. The total number of units approved or under construction with deed-restricted affordability controls as of December 31, 2007 reached 147.

An important factor in Brentwood's ongoing progress in developing affordable housing is the City's Capital Improvements Financing Program and ongoing efforts to fund infrastructure improvements and new residential development projects within the City's Redevelopment project area. These efforts help encourage the production of affordable housing and remove infrastructure constraints to its development.

PROGRESS IN THE IMPLEMENTATION OF THE HOUSING ELEMENT

The following provides a review of the progress made on each action program within the Housing Element. If a program has been unsuccessful, a summary of the reasons has been provided. It should be noted that several of the action programs require ongoing effort to ensure significant progress is made.

1.1.1 Conduct annual inventory of available sites to determine if sufficient land exists to meet housing needs for all economic segments and take appropriate action to ensure an ongoing supply of available sites at appropriate densities to meet projected housing needs.

The City conducted an inventory of available residential land as part of its 2001 revision of the Land Use Element of the General Plan and updated the inventory during the 2005 Housing Element Update. During this most recent evaluation in late 2004 and early 2005 the City identified and has designated sufficient residential land to meet existing and future housing needs and provide a mix of housing types for all economic segments of the community through 2009. Specifically, the City designated three sites for Very High Density Residential housing (allowing up to 30 dwelling units by right) that are exempt from the City's mid-range density land use policy. The three sites include approximately 20 acres and would allow approximately 500 future very high density multi-family units. The City has had meetings with prospective developers interested in purchasing these sites and developing additional residential units. The City also expects to increase the amount of very high density sites (up to 30 dwelling units per acre) within the City in the future as the demand for multi-family housing increases in the East Contra Costa County region. In August 2007, the City received an application to increase the supply of very high density land by approximately 5 acres in conjunction with a 120-unit multi-family development request. Action on this development project is anticipated in 2008. In addition, the City is preparing an approximately 400-acre Specific Plan that includes mixed use areas that would allow up to 20-30 dwelling units per acre near the City's Downtown area. Action on the Specific Plan is also anticipated in 2008.

The City's continues to evaluate the effect of the City's mid-range density land use policy and examined built densities, processing times, and impacts on approval and development costs. This evaluation indicated that the mid-range density is often exceeded for approved projects given that that all projects subject to City's Affordable Housing Ordinance may receive a 9.0% density bonus and the City exempts below market rate housing from the mid-range density policy. In addition, the City has among the fastest processing times for residential development in the San Francisco Bay Area and the mid-range density policy had no appreciable effect on the processing times for residential development applications that exceeded the mid-range density relative to projects that were at or below the allowable mid-range density. No residential development applications regardless of density were denied in 2006 or 2007. In addition, the City-controlled development costs for residential projects on a per unit basis were

the same regardless of whether a project was below, at, or above the mid-range density. Discussions with residential builders confirmed that land prices, labor prices, the cost of materials, borrowing costs, and non-city fees (e.g. school, drainage area, and regional transportation) had a greater effect on development costs than the mid-range policy during 2006 and 2007.

The City has zoned sufficient land to meet its regional housing need allocation as of February 2008. The City efforts have resulted in 4,373 new residential units that have been approved or are under construction as of December 31, 2007. In addition, the City has previously built more than 100 percent of the total number housing needed within the City through 2006 by the end of 2003.

1.1.2. Continue to encourage the use of second units in single-family residential areas in meeting the city's low- and moderate-income housing objectives.

The City has encouraged the development of second units within existing residential areas. The City adopted a secondary housing unit ordinance in January 2004 to help provide greater certainty for property owners wishing to add additional secondary housing units. This Ordinance allows these units to be approved administratively by staff. The City approved the construction of five new second units in established neighborhoods between July 1, 2006 and December 31, 2007. The City has also approved approximately 30 detached living units in the new Rose Garden single family subdivision. These detached living units were completed in 2006 to help provide a mix of incomes and housing choices within this new neighborhood. Since the adoption of the City's secondary housing unit ordinance, the City has approved all requests received for secondary housing units.

1.2.1. Identify at-risk projects one year prior to each required Housing Element update, and minimize loss of existing affordable housing.

In 2001 the City inventoried all assisted housing developments within Brentwood with affordability controls. One at risk project with expiring affordability controls had been identified and involved 9 low-income apartments. The affordability controls for these units in the TownCentre apartments were due to expire in 2006. In FY 04/05 the City's Redevelopment Agency was able to negotiate an agreement with the property owner of these multi-family units and a market rate housing builder who needed to satisfy his project's affordability requirements to extend the affordability controls for 55 years and conserve these affordable housing units. No affordable housing units are at risk of conversion to market-rate units during the present Housing Element cycle ending in 2014.

1.2.2 Assist potential applicants in accessing rehabilitation loans and self-help housing projects.

The City has continued to partner with Contra Costa County as part of the Contra Costa Consortium and provide marketing assistance and referrals to the Contra Costa County Homeowner Rehabilitation Assistance programs and the Housing Authority of Contra Costa County Rental Rehabilitation Program. The City referred approximately 15 households to these programs in the July 1, 2006 – December 31, 2007 time period and 5 very low income households received rehabilitation loans in Brentwood through these

programs. In addition, since 1998, these efforts have resulted in the rehabilitation of approximately 40 housing units of which 27 were very low-income units.

The City worked with Habitat for Humanity and Pulte Homes in 2003 to secure land for 4 future very low income single family homes that will be constructed in part by very low income households once approved. The City received no application from Habitat for Humanity to proceed with this planned self-help housing project. The City also discussed an additional project site with Habitat for Humanity for a future development including approximately 20 housing units for very low and low income households.

1.2.3 Community Education about available rehabilitation programs.

The City distributes bilingual rehabilitation program marketing literature provided by the County to Brentwood residents and property owners. The City has added staff since 1998 that regularly distributes housing rehabilitation program literature to the public and organizes public workshops where the programs are described in detail. In the July 1, 2006 to December 31, 2007 time period, the County rehabilitation personnel held regular office hours within Brentwood in order to make appointments or “drop-in” visits more convenient for Brentwood residents who cannot easily travel to the County seat in Martinez. There were approximately 5 Brentwood very low income households assisted by the County during this 18-month reporting period. The City handed out approximately 350 brochures in English and Spanish at the Community Development Department counter, other City public counters, and at community outreach events and festivals during this 18-month reporting period. The City also contracted with Pacific Community Services to conduct four first-time homebuyer training classes in Brentwood to answer questions and distribute information.

1.2.4 Maintain current information on housing conditions within the City through periodic housing condition surveys.

City staff currently responds to zoning and building code violations based on complaints and field observations. The City did conduct a windshield survey in 2001 of residential areas developed prior to 1990 to determine existing rehabilitation needs and has expanded the number code enforcement staff within the Building Division from 1 to 4 full-time staff members to help prevent blighted conditions within residential neighborhoods. The Code Enforcement staff processed approximately 2,000 cases in the 18-month reporting period including approximately 75 cases involving housing condition repairs.

1.2.5 Provide financial assistance to owners of rental property to rehabilitate substandard units.

Financial assistance to owners of rental property to rehabilitate substandard units is available in Brentwood through the Housing Authority of Contra Costa County. The Rental Rehabilitation Program provides deferred below-market loans of up to \$25,000 per unit. The program has provided funds to rehabilitate approximately 35 units since 1998 within Brentwood. The City expects more rehabilitation projects in Brentwood in the future as the City’s housing stock ages and as rural areas are annexed into Brentwood.

1.2.6 Prepare Residential Design Guidelines to continue to help provide safe, structurally sound, and attractive housing in Brentwood as well as provide more certainty during residential design reviews.

The guidelines were completed in 2006 and are provided to residential developers during preliminary discussions of potential projects.

1.3.1 Continue a water conservation program, reducing residential utility costs.

The City requires the submission of landscape plans in conjunction with all residential developments. Plans are reviewed to ensure use of drought-tolerant plant materials and to reduce the use of turf in all front yards. The City also reviews proposed irrigation details, inspects installation, and checks the timing of automatic sprinklers to ensure that front yard irrigation is conducted efficiently. The City reviewed approximately 25 landscape plans for residential projects in Brentwood during the 18-month reporting period.

1.4.1 Adopt an ordinance to regulate conversion of multi-family units to condominiums to minimize tenant displacement.

The City has initiated preparation of a draft condominium conversion ordinance and expects the ordinance to be completed and adopted in 2008. No condominium conversion applications were received in the 18-month reporting period.

1.4.2 Monitor rental housing availability to evaluate choices in tenure, price, unit size, amenities, and location within the community.

As part of the preparation of the condo conversion ordinance preparation process, the City monitored rental housing availability. The City added 80 very low income multi-family units in 2007 to the rental housing stock at the Brentwood Senior Commons apartment development and 19 multi-family market rate units at Siena Village. The City also has approximately 400 additional rental units under construction of which 96 units are affordable to very low income units and 200 units are reserved as senior housing units. The slowdown in demand for new market rate housing beginning in FY 05/06 in Brentwood continued during the 18-month reporting period resulted in slower home sales and more homes of varying sizes and amenity levels available for rent in the City as property owners choose to rent their homes as market rate home prices declined.

2.1.1 Explore and catalog available housing assistance programs.

The City provides information to members of the public about local housing assistance programs and has fliers available with contact information and program summaries in multiple languages. Program information is regularly verified and updated as necessary, to ensure accurate and timely information is provided to the public. The 2003 adoption of the City's Affordable Housing Ordinance created a City of Brentwood Housing Trust Fund that provides an additional tool to fund Brentwood housing assistance programs. The City efforts include both a homeownership and rental housing program to assist lower income households seeking rental and ownership opportunities. The City manages developer dedicated affordable housing units for long-term rent within market rate subdivisions to eligible low income households. In addition, the City also identifies and selects eligible lower income homebuyers for purchase of new affordable housing units

created through the Affordable Housing Ordinance. In the reporting period, the City has directly assisted approximately 10 very low-, low-, and moderate income households locate new affordable ownership and rental housing in Brentwood. In addition, the City provided indirect assistance and City program information in person or over the telephone to approximately 200 households during the reporting period. The City also conducted affordable housing agreement negotiations with several home builders in the reporting period resulting in 59 future affordable units and anticipates ongoing commitments for future low income rental units and lower income ownership units will be memorialized in 2008 for recently proposed residential projects.

2.2.1 Work with non-profit and private entities to facilitate cooperative efforts for development of affordable housing.

The City has worked effectively with both non-profit and private builders to develop affordable housing during this 18-month reporting period. These efforts resulted in two lower income Meritage single family homes, the completion of 18 moderate income townhomes in the Coppergate development, and 80 very low income apartments in the Brentwood Senior Commons development. The City expects more affordable units to be completed in 2008 and after the housing market improves in upcoming years.

2.2.2 Increase the provision of affordable housing by supporting the efforts of non-profit corporations.

The City provides support by conducting free pre-application meetings with builders, helping to identify properly zoned sites to minimize necessary entitlements, donating land, fast-tracking development applications, reducing parking requirements, deferring development fees, and providing redevelopment affordable housing set-aside funds and City affordable housing trust funds to defray required development costs when appropriate. In FY 2005/06, the Redevelopment Agency and the City provided or committed approximately \$3 million to two non-profit developers to construct 176 very low income units within the Villa Amador and Brentwood Senior Commons developments. The Eden Housing Brentwood Senior Commons development was completed during this 18-month reporting period and the City anticipates that Mercy Housing's Villa Amador development will be completed in 2008.

2.3.1 Streamline application process to eliminate unnecessary costs arising from the length of residential development application review.

The City utilizes several methods to streamline our application intake and processing system. The City has a short two-page universal application that lists required planning and engineering fees for available entitlements. Applications are accompanied by City standard conditions of approval to provide applicants with the majority of potential conditions of approval in advance of action on a development project. Application materials are available 24 hours a day on the City website. The City provides residential design guidelines and free preliminary review meetings with staff to provide early input, guidance, and an explanation of requirements before engineering and/or architectural plan preparation has occurred. The City also staff's a one-stop development services counter daily where City development personnel from multiple departments are available to answer questions.

The City conducts internal staff development review committee meetings involving four departments to identify any issues of concern amongst City staff and affected outside agencies. The applicant is alerted prior to finalizing environmental review to allow for modifications to the project. The City also conducts free informational workshops on large or unique developments where the applicant and staff can obtain feedback directly from decision makers prior to completion of environmental review, preparation of project staff reports, and final action on a project. These workshops afford an additional opportunity to refine a project and identify key concerns or issues early in the project review process. The meetings and workshops also tend to decrease the need for continuing items multiple times because key issues are identified early on in the application and development review process.

2.3.2 and 2.3.3 Provision of affordable housing by granting density bonuses.

The City has previously granted density bonuses to several residential projects. One of these developments (Brentwood Senior Commons) was completed during the 18-month reporting period. Residential developments that include long-term affordable units or senior housing units in accordance with State law and the City's Density Bonus Ordinance are entitled to density bonuses or other financial incentives of equivalent value.

2.3.4 Priority Building Inspections for affordable housing developments.

The City provides timely building inspections for residential development projects. Inspections take place as construction work progresses. In order to prevent delays and ensure construction of affordable housing units occurs expeditiously, building inspectors are assigned specific developments projects and conduct daily inspections upon request. This ensures timely inspections and provides continuity during the construction phase of an affordable housing development.

2.3.5 Adopt specific developments standards for all residential land within Planned Development Zones to provide greater certainty and encourage future development.

The City previously completed an inventory of all residential Planned Development Zones in FY 04/05 and adopted specific development standards for all of the affected 20 zones in FY 05/06.

3.1.1 Community education about low-income occupations and how low income residents contribute to the community.

The City provides regular updates on new income limits established for Contra Costa County and what levels are considered very low, low, moderate, and above moderate based on the median incomes for different household sizes. The community also receives information from the media, school districts and different government agencies about existing salaries and the need to provide housing opportunities for lower paid workers to promote high quality services, good schools, and economic development. Historically market-rate housing within Brentwood has been relatively affordable in comparison to other portions of Contra Costa County and employment centers within the San Francisco Bay Area. Many Brentwood homeowners are often surprised to learn how high the low-income limits are within Contra Costa County. More and more residents recognize that lower paid workers, young adults and families starting out, and seniors on

fixed incomes need housing priced at levels they can afford but that the Brentwood market does not ordinarily provide.

3.1.2 Development Incentives to facilitate affordable housing that is indistinguishable from market rate housing.

The City's Affordable Housing Ordinance mandates that affordable dwellings be interspersed within market-rate housing developments. The Ordinance also requires the exterior appearance of affordable units to be harmonious and compatible with surrounding market rate units.

For example, architectural features, materials and colors choices are reviewed to ensure that affordable units blend in within a new subdivision or existing neighborhood. Density bonuses, contribution of City redevelopment funds and/or Housing Trust Funds, and other customized incentives are available to help provide new affordable housing opportunities within mixed income neighborhoods.

3.2.1, 3.2.2, and 3.2.3 Promote development of market rate single family homes in the eastern portion of the City by undertaking improvement projects, providing marketing materials, and outreach efforts with potential developers.

The City has been very successful in attracting private investment within the eastern portion of the City that experienced an overconcentration of low-income households according to the 1996 City Low Income Over-Concentration Study. During the 18-month reporting period approximately 55 single family market rate dwelling units were built in the eastern portion of the City. Seven new parks have been developed since 1999. Infrastructure improvements including new sidewalk and roadway extensions and new water and sewer line improvements were also completed during the 18-month reporting period. In addition, the City has previously approved approximately 500 market rate single-family homes in the eastern portion of the City which are not completed.

3.2.4 Provide improved housing for existing very low and low income households in the City.

In FY 2005/06 the City worked closely with Eden Housing on a proposed very low-income 80-unit senior apartment project within the eastern portion of the City. The development was completed in 2007. The City of Brentwood and Brentwood Redevelopment Agency also worked closely with Mercy Housing on financial assistance for a 96-unit very low income multi-family project. The City anticipates construction to be completed in 2008.

During this 18-month reporting period, the City has worked with Pulte Homes, Standard Pacific Homes, Western Pacific Housing, Meritage, DeNova Homes, DR Horton, Richmond American, Shea Homes, and Discovery Builders to provide lower income housing units interspersed within market rate subdivisions.

3.3.1 and 3.3.2 Monitor the concentration of income groups within the City.

The City has made a concerted effort to encourage the development of additional market-rate units within low-income areas of the community since 1998 in order to diversify housing choices for all income groups throughout the City. The City regularly conducts new housing price surveys to monitor affordability levels throughout the City. An update of the Low Income Over-concentration Study was not conducted in this 18-month reporting period due to workload constraints associated with timely processing of current and long range planning projects. As mentioned above, substantial progress has been made to provide more mixed income neighborhoods throughout the City. The City anticipates that the mandatory provision of units affordable to lower income households in all new developments of five or more units will help ensure that long-term affordable housing choices are available throughout the City. The City's Affordable Housing Ordinance is helping to ensure that all residential projects help the City provide moderate and lower income housing opportunities.

3.4.1 and 3.4.2 Encourage the development of affordable housing using incentives in areas not experiencing an over-concentration of lower income households and monitor effectiveness.

The City had utilized a strictly voluntary incentive approach to encourage new affordable development in the western portion of the City. This voluntary approach had resulted in the provision of 20 low-income ownership opportunities that were constructed in 2002 and 2003.

The City has concluded that voluntary incentives alone are insufficient to produce very low and low-income units in the western portion of the City. Consequently, the City adopted an Affordable Housing Ordinance to ensure new affordable lower-income housing is developed and funds are generated to help create new affordable housing within the City. The Ordinance includes incentives for developments that meet or exceed minimum affordable housing production requirements and seeks to ensure affordable housing choices will be available throughout the City. The City has subsequently updated the Ordinance to address developer concerns, prevent ambiguity, and make the Ordinance more effective. The Affordable Housing Ordinance has resulted in the provision of more very low and low-income units in the western portion of the City.

In addition, the City has designated 13 acres in the western portion of the City for development of up to 30 units per acre in order to further stimulate production of below market rate housing. During the 18-month reporting period the City received a request to redesignate 5 additional acres for the development of up to 30 units per acre. Action on this request is anticipated in 2008.

3.4.3 Examine the feasibility of providing a first-time homebuyer assistance services to Brentwood residents to facilitate homeownership.

The City provided a range of first-time homebuyer assistance services for lower and moderate income households. The City contracted with Pacific Community Services to hold four mandatory 8-hour home-buyer training seminars in English and Spanish for interested lower income households in Brentwood. Pacific Community Services also provides monthly homebuyer classes if families cannot attend the scheduled Brentwood trainings. These training seminars in conjunction with implementation of the City's Affordable Housing Ordinance and extensive outreach by the Community Development Department resulted in five new lower income homeownership opportunities, two new

moderate income homeownership opportunities, and two moderate income resale opportunities. The City expanded the homebuyer assistance services by including a first home buyer loan program to help low and moderate income households qualify for market rate housing in Brentwood. The City now provides low-interest silent second mortgage loans in amounts from \$35,000-\$50,000 to eligible households. The City received six loan applications and provided four loans. Two of the loans assisted low-income households and two loans assisted moderate-income households.

3.5.1 Modify the General Plan Land Use Element to provide for low, medium, and high density residential development throughout the City.

The City completed a General Plan Update in 2001. The update included a revision to the Land Use Element after extensive public input from the community. The General Plan land use map included low, medium, and high density sites throughout the City to promote diverse housing choices. Higher density sites are strategically located in close proximity to existing and planned employment centers to promote smart growth and reduce automobile dependence. Higher density sites are located in the R-3, PD-44, PD-49, PD-51, and PD-57 zones. In FY 2004/05 the City processed a General Plan Amendment to re-designate and rezone 20 acres throughout the City (within PD-38, PD-53, and PD-55) for Very High Density housing (up to 30 du/ac. by right). The General Plan Amendment and accompanying zone changes were completed during the summer of 2005. This land use change increased the City's dwelling unit potential by 500 housing units and created new opportunities for both market rate and affordable housing units to meet anticipated housing needs. In the 18-month reporting period the City met with several developers interested in the Very High Density housing sites and will be considering designating additional Very High Density housing in 2008.

4.1.1 Maintain cooperative association with non-profit fair housing groups to encourage and support the enforcement of laws and regulations prohibiting housing discrimination.

The City participates in the Contra Costa Housing Consortium. The Consortium is comprised of Contra Costa County and all cities within the County except the City of Richmond. The consortium allocates Community Development Block Grant Funds to non-profit fair housing assistance groups to provide fair housing legal assistance and tenant-landlord dispute resolution services for residents within Brentwood. Several organizations including Pacific Community Services, Bay Area Legal Aid, Housing Rights Inc., and Shelter Inc. provide fair housing assistance services. Whenever the City is contacted about allegations of housing discrimination or is informed about a landlord-tenant dispute, the City refers callers to the toll-free numbers of the fair housing assistance groups to investigate the complaint. The City has received 65 calls in the 18-month reporting period. None of these calls has resulted in documented cases of housing discrimination or fair housing violations. The City takes all allegations very seriously and works closely with non-profit fair housing groups to ensure prompt assistance is provided when requests for assistance are received.

In addition, City staff periodically receives updated information about fair housing issues from the various non-profit housing groups. This information is dispersed to members of the public in order to prevent housing discrimination within the community.

4.1.2 Disseminate Fair Housing Information

In addition to the City efforts described under 4.1.1, the City distributes fair housing informational literature to the public from Housing Rights Inc. to prevent landlord –tenant conflicts and prevent housing discrimination. Literature is provided throughout the community at City public counters and during community events and festivals. Additional outreach efforts are planned annually to ensure that ongoing education and information is available as the City population grows.

4.2.1 Provide housing opportunities to meet the special housing needs of farmworkers, the elderly, disabled, large families, and the homeless

The City has historically helped to develop a wide variety of housing for various special needs groups. During this reporting period the City made extensive progress on increasing the future supply of housing opportunities for special needs households. The City and Redevelopment Agency has committed \$1.8 million for the 96-unit Villa Amador apartment development with units reserved for farmworkers, disabled households, and large families. This project is under construction with occupancy anticipated in 2008. The City issued building permits for the 80-unit Brentwood Senior Commons development in FY 2005/06 and agreed with the Redevelopment Agency to provide financial assistance to Eden Housing to fund the project. The affordable development was completed in 2007 and now provides very low-income 1-bedroom senior apartments within close walking distance to the City's downtown core area.

The City has approved 1,100 senior housing units within the Shea Homes Vineyards project and 104 units were completed during this 18-month reporting period. This development includes a mix of affordability levels and housing types to meet many special housing needs. Construction continues and the development once completed will include lower income, moderate income and market rate housing opportunities.

4.2.2. and 4.2.3 Amend the zoning code to identify the zoning districts within which shelters and transitional housing can be developed and coordinate with agencies serving the homeless to develop housing and employment programs.

As mentioned above the City currently works to address the needs of the homeless population through its participation in the Contra Costa Housing Consortium and support for the Brentwood Community Chest that provides emergency food to the needy including the homeless. The transient nature of the homeless population and the extensive interrelated social service needs of this population require pooled resources and regional cooperation for adequate service delivery. Small group homes serving the transitional housing needs of homeless individuals or families are allowed in all residential zones and are specifically identified as a permitted use in PD-45. During the reporting period the City continued work on zoning ordinance changes that include additional opportunities for development of shelters and transitional housing to meet Brentwood's housing needs.

APPROPRIATENESS OF HOUSING ELEMENT GOALS, POLICIES, AND ACTION PROGRAMS

The City's efforts to voluntarily update the Housing Element in 1998 resulted in goals, policies, and actions that closely reflected current community housing needs. The goals,

policies, and action programs of the 1998 Housing Element and the 2001 General Plan Update involving the Land Use, Circulation, and Growth Management elements were reviewed in 2003 and updated in 2005. These efforts have enabled the City to make substantial progress toward the satisfaction of current housing needs for the 1999 – 2006 period. The City continues to evaluate the housing needs of the community and adopted an Affordable Housing Ordinance in 2003 and updated this Ordinance in 2005 and 2007 to help increase the supply of lower income housing units within the City. In 2006, the City initiated a first-time home buyer program to further assist low and moderate income households attain home ownership. It is the City's intent to continue to make progress on identified housing needs as the community grows and price of market-rate housing rises over time.

Several major policy changes have been made since 1998. The policy changes included the addition of a mandatory affordable housing requirement due to the rapid escalation of land values as well as market-rate housing within the community and the need to zone higher density residential sites to promote more efficient and cost-effective development of affordable housing. The need for a more proactive effort to produce below-market rate housing at levels affordable to very low-, low- and moderate-income households has proven necessary after attempting a voluntary approach in conjunction with numerous available incentives until 2003. Mandatory inclusionary housing in conjunction with higher allowable residential densities, development incentives and flexible affordable housing compliance options has and will help the City continue to disperse affordable new housing units throughout City and ensure that Brentwood provides high-quality housing options for all economic segments of the community. The addition of a City first-time home buyer loan program in FY2005/06 provided another tool to assist more low and moderate income households attain homeownership in Brentwood.

Paul McDougall

From: Cathy Creswell
Sent: Monday, March 24, 2008 9:34 AM
To: Mark Lovington; Paul McDougall
Subject: Fw: quick review

See mikes comments

----- Original Message -----

From: Mike Rawson <mrawson@pilpca.org>
To: Cathy Creswell
Sent: Sun Mar 23 23:38:45 2008
Subject: RE: quick review

Hi,

I think this is generally good, but needs some work--some clarification and some corrections.

p.6 (Permitting without Discretionary Action)

This section is a little too vague/imprecise (e.g. "require little judgment")

p. 8 (Standards to Encourage....)

The paragraph seems to be trying to mirror the objective health and safety standard language of 65589.5 and the language in Hoffmaster that the standards must not create barriers to the development or feasibility of shelters. But, the paraphrasing is a little awkward and confusing.

p.13 ("... does not treat transitional and supportive housng as a 'proposed' residential use....')

Why "proposed"?

pp. 15-16 (65589.5--zoning inconsistency)

This may be a little too narrowly drawn. It's not just sites identified in the housing element that are exempt from a zoning inconsistency denial, it's any site that is identified in the general plan (e.g. land use element) as appropriate for residential use at the density proposed.

Let me know if you have Q's.

Mike

Michael Rawson
Public Interest Law Project/
California Affordable Housing Law Project
449 15th Street, Suite 301
Oakland, CA 94612
510-891-9794, ext. 145
Fax-891-9727
www.pilpca.org

From: Cathy Creswell [mailto:CCRESWEL@hcd.ca.gov]
Sent: Fri 3/21/2008 1:53 PM
To: Mike Rawson
Subject: quick review

Hey, I wanted to ask a favor. This is a draft of our long-delayed ta paper on SB 2. I want to

get it out to folks for comments next week (Brian, Ruth, Bill Higgins, Janet R. etc.) but before I do I wanted you and Mark L to take a quick look and make sure there is nothing obviously missing or wrong. So, if you have time to take a quick and dirty look prior to getting another crack at it when I send it to the other review group that would be great. If not, don't worry about it, I need to send it out by Tuesday at the latest and you will have a chance then. Thanks and I hope you are doing ok. Cathy

Cathy Creswell

Deputy Director

California Department of Housing and Community Development

(916) 323-3176

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